

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1924 – HB 1846

March 31, 2014

SUMMARY OF ORIGINAL BILL: Enacts the “Tennessee Community Schools Act” which authorizes local education agencies (LEAs) to create community consortiums in order to establish a community school. Community schools that are created by LEAs shall be centers of their communities and shall be open to everyone every day, including evenings, weekends, and summertime. Requires the State Board of Education (SBE) to promulgate rules and regulations for the creation of community schools. Authorizes the Department of Education (DOE) to seek funding from private donors or through grants for community schools. Requires DOE to help LEAs write grants for funding of community schools by providing technical assistance. When possible, DOE shall provide funds to LEAs for the employment of grant writers. Requires DOE to make community school grants available to LEAs who wish to form community schools. Sets forth the process by which grants shall be awarded and the requirements for grant eligibility. Requires the Comptroller’s Office of Research and Education Accountability (OREA) to study and make a report on the formation and operation of community schools to the Education Committees of the General Assembly by November 1, 2018.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$100,000

Increase Local Revenue - \$95,000

Increase Local Expenditures – Not Significant/Permissive

SUMMARY OF AMENDMENT (015563): Amends Section 6 of the original bill. Requires the DOE to make community school grants from private funding donated for this purpose. Prohibits funds from being appropriated from the state General Fund in FY14-15. States that nothing in this act shall prohibit the state from making appropriations for such purpose in FY15-16 and subsequent fiscal years.

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FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Not Significant

Increase Local Expenditures – Not Significant/Permissive

Other Fiscal Impact – If donations are contributed from private sources, local revenue will increase by equal amounts. The amount of any private donations cannot be reasonably quantified. The state may contribute funds for community school grants in FY15-16 and subsequent fiscal years. However nothing in the bill as amended requires the state to make General Fund appropriations in subsequent fiscal years.

Assumptions for the bill as amended:

- New school facilities will not be built in order to establish community schools; any community schools created will be done using existing facilities.
- The amount of private funding that will be donated for community schools is unknown and cannot be reasonably quantified.
- DOE and the SBE will support and encourage the creation of community schools within the normal course of business without an increase in personnel or reduced reversions.
- Any increase in state or local expenditures to apply for private or federal grants to help fund community schools is estimated to be not significant.
- Any increase in local expenditures to form community schools will be permissive. It is assumed that local governments will not form community schools unless grant funding is sufficient to do so, or if local government expenditures will not increase significantly as a result.
- Any increase in state expenditures for OREA to perform the required study is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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